

UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

Before Commissioners:

Robert G. Taub, Acting Chairman;
Nanci E. Langley, Vice Chairman;
Mark Acton; and
Tony Hammond

Periodic Reporting
(Proposal Four)

Docket No. RM2016-12

NOTICE OF PROPOSED RULEMAKING ON ANALYTICAL PRINCIPLES
USED IN PERIODIC REPORTING
(PROPOSAL FOUR)

(Issued August 24, 2016)

I. INTRODUCTION

On August 22, 2016, the Postal Service filed a petition pursuant to 39 CFR 3050.11 requesting that the Commission initiate an informal rulemaking proceeding to consider changes to an analytical method for use in periodic reporting.¹ The Petition identifies the proposed analytical method changes filed in this docket as Proposal Four.

¹ Petition of the United States Postal Service for the Initiation of a Proceeding to Consider Proposed Changes in Analytical Principles (Proposal Four), August 22, 2016 (Petition).

II. PROPOSAL FOUR

Proposal Four concerns the treatment of purchased highway transportation costs within the Cost and Revenue Analysis report. The objective of the proposal is to improve the methodology for calculating attributable purchased highway costs by incorporating the variability of purchased highway transportation capacity with respect to volume into the calculation of attributable costs for purchased highway transportation. Petition at 2. In support of its Petition, the Postal Service has attached a report: “Research on Estimating the Variability of Purchased Highway Transportation Capacity with Respect to Volume” by Michael D. Bradley, Department of Economics, George Washington University.

III. NOTICE AND COMMENT

The Commission establishes Docket No. RM2016-12 for consideration of matters raised by the Petition. More information on the Petition may be accessed via the Commission’s website at <http://www.prc.gov>. Interested persons may submit comments on the Petition and Proposal Four no later than October 7, 2016. Reply comments are due no later than October 21, 2016. Pursuant to 39 U.S.C. 505, Lawrence Fenster is designated as officer of the Commission (Public Representative) to represent the interests of the general public in this proceeding.

IV. ORDERING PARAGRAPHS

It is ordered:

1. The Commission establishes Docket No. RM2016-12 for consideration of the matters raised by the Petition of the United States Postal Service for the Initiation of a Proceeding to Consider Proposed Changes in Analytical Principles (Proposal Four), filed August 22, 2016.

2. Comments by interested persons in this proceeding are due no later than October 7, 2016. Reply comments are due no later than October 21, 2016.
3. Pursuant to 39 U.S.C. 505, the Commission appoints Lawrence Fenster to serve as an officer of the Commission (Public Representative) to represent the interests of the general public in this docket.
4. The Secretary shall arrange for publication of this Order in the *Federal Register*.

By the Commission.

Stacy L. Ruble
Secretary